



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

October 28, 2014

Mr. Matt Dickinson
NEPA Contract Coordinator
Lake Tahoe Basin Management Unit, National Forest Service
35 College Drive
South Lake Tahoe, California 96150

Subject: Draft Environmental Impact Statement for the Heavenly Mountain Resort Epic Discovery Project, Lake Tahoe Basin Management Unit, Douglas Nevada & El Dorado and Alpine Counties, California. (CEQ# 20140243)

Dear Mr. Dickinson:

The U.S. Environmental Protection Agency has reviewed the Draft Environmental Impact Statement for the Heavenly Mountain Resort Epic Discovery Project, Lake Tahoe Basin Management Unit. Our review is provided pursuant to the National Environmental Policy Act, Council on Environmental Quality regulations (40 CFR Parts 1500-1508), and our NEPA review authority under Section 309 of the Clean Air Act.

The project would diversify year-round, non-skiing recreational opportunities at Heavenly Mountain Resort, primarily for summertime users. The project proposes to use primarily preexisting infrastructure, such as a parking garage, ski lifts and guest service facilities, to expand summer activities. The project also calls for tree removal for trails and emergency snow cat evacuation routes for the gondola. We appreciate that the project includes mitigation measures and design features incorporated into the proposed action.

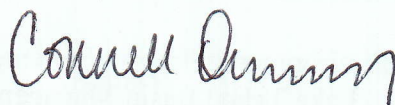
The EPA has rated the Preferred Alternative as Lack of Objections-LO (see enclosed "Summary of Rating Definitions"). We support the best management practices and resource protection measures included in the project design. We recommend that the FEIS incorporate additional continued bio-assessment monitoring of the three existing sites along Heavenly Valley Creek as well as the "control" site on Hidden Valley Creek until an improving trend can be definitively documented, as suggested by the Lahontan Regional Water Quality Control Board, and commit to any necessary mitigation measures needed should the project result in adverse impacts to the streams.

We also recommend that the FEIS include an updated annual average daily traffic or AADT volume that includes 2012-2013 data. The roadways analyses in Section 3.7.1.3 of the DEIS rely on 2003 to 2011 data. The effects of the Great Recession from 2008-2011, which adversely affected the local gaming and hospitality industries, may skew the data, thus depicting an AADT that fails to reflect current conditions. (For more information, go to: <http://www.cityofslt.us/DocumentCenter/Home/View/126>.) We note that the appendices include raw data through December 2013 that were not incorporated into the AADT used in the DEIS. By including data from 2012-2013, the Forest Service could more precisely determine roadway congestion and transportation impacts of the project. The findings of an updated AADT could

also be used to get a clearer picture of current public parking capacity to absorb the projected growth from this project. Given that the purpose stated in the DEIS for this project is to increase summertime activities, e.g. tourism, we recommend that the Forest Service also include in the FEIS an updated Traffic Count study that looks specifically at summertime roadway congestion and transportation impacts to confirm formula results.

Thank you for the opportunity to review this DEIS. We appreciate the Forest Service's coordination with us via phone calls during our review. When the FEIS is released, please send one hard copy and one CD to the address above (mail code: ENF-4-2). If you have any questions, please contact me at (415) 972-3521, or have your staff contact James Munson, the lead reviewer for this project. Mr. Munson can be reached at (415) 972-3852 or Munson.James@epa.gov.

Sincerely,



FOR

Kathleen Martyn Goforth, Manager
Environmental Review Section

Enclosure: Summary of the EPA Rating System

Cc: California Regional Water Quality Control Board, Lahontan Region
Tahoe Regional Planning Agency

SUMMARY OF EPA RATING DEFINITIONS*

This rating system was developed as a means to summarize the U.S. Environmental Protection Agency's (EPA) level of concern with a proposed action. The ratings are a combination of alphabetical categories for evaluation of the environmental impacts of the proposal and numerical categories for evaluation of the adequacy of the Environmental Impact Statement (EIS).

ENVIRONMENTAL IMPACT OF THE ACTION

"LO" (Lack of Objections)

The EPA review has not identified any potential environmental impacts requiring substantive changes to the proposal. The review may have disclosed opportunities for application of mitigation measures that could be accomplished with no more than minor changes to the proposal.

"EC" (Environmental Concerns)

The EPA review has identified environmental impacts that should be avoided in order to fully protect the environment. Corrective measures may require changes to the preferred alternative or application of mitigation measures that can reduce the environmental impact. EPA would like to work with the lead agency to reduce these impacts.

"EO" (Environmental Objections)

The EPA review has identified significant environmental impacts that should be avoided in order to provide adequate protection for the environment. Corrective measures may require substantial changes to the preferred alternative or consideration of some other project alternative (including the no action alternative or a new alternative). EPA intends to work with the lead agency to reduce these impacts.

"EU" (Environmentally Unsatisfactory)

The EPA review has identified adverse environmental impacts that are of sufficient magnitude that they are unsatisfactory from the standpoint of public health or welfare or environmental quality. EPA intends to work with the lead agency to reduce these impacts. If the potentially unsatisfactory impacts are not corrected at the final EIS stage, this proposal will be recommended for referral to the Council on Environmental Quality (CEQ).

ADEQUACY OF THE IMPACT STATEMENT

Category "1" (Adequate)

EPA believes the draft EIS adequately sets forth the environmental impact(s) of the preferred alternative and those of the alternatives reasonably available to the project or action. No further analysis or data collection is necessary, but the reviewer may suggest the addition of clarifying language or information.

Category "2" (Insufficient Information)

The draft EIS does not contain sufficient information for EPA to fully assess environmental impacts that should be avoided in order to fully protect the environment, or the EPA reviewer has identified new reasonably available alternatives that are within the spectrum of alternatives analyzed in the draft EIS, which could reduce the environmental impacts of the action. The identified additional information, data, analyses, or discussion should be included in the final EIS.

Category "3" (Inadequate)

EPA does not believe that the draft EIS adequately assesses potentially significant environmental impacts of the action, or the EPA reviewer has identified new, reasonably available alternatives that are outside of the spectrum of alternatives analyzed in the draft EIS, which should be analyzed in order to reduce the potentially significant environmental impacts. EPA believes that the identified additional information, data, analyses, or discussions are of such a magnitude that they should have full public review at a draft stage. EPA does not believe that the draft EIS is adequate for the purposes of the NEPA and/or Section 309 review, and thus should be formally revised and made available for public comment in a supplemental or revised draft EIS. On the basis of the potential significant impacts involved, this proposal could be a candidate for referral to the CEQ.

*From EPA Manual 1640, Policy and Procedures for the Review of Federal Actions Impacting the Environment.